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ABSTRACT

This congressional report presents the views of the House Committee on Labor and Human Resources concerning the Nurse Education Amendments of 1984. (The Nurse Education Amendments of 1984 reauthorize the nursing special projects program providing grants and contracts for such types of nurse training as continuing education, retraining, education for disadvantaged persons, programs to improve the distribution by geographic area or by specialty group of adequately trained nursing personnel, and programs to upgrade the skills of licensed vocational or practical nurses and other paraprofessional nursing personnel. They also encourage improved access to nursing services in noninstitutional settings and encourage nursing graduates to practice in health manpower shortage areas.) Included in the report are the following: a summary of the bill, the background and need for the legislation, the history of the bill, its text as reported, committee views on the bill, a tabulation of votes cast in committee, a budget estimate, a regulatory budget statement, a family fairness statement, a section-by-section analysis of the bill, and changes in the existing law that will be effected by the bill. (MN)

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NURSE EDUCATION AMENDMENTS OF 1984

MAY 25, 1984.—Ordered to be printed

Filed under authority of the order of the Senate of May 11 (legislative day, April 30), 1984

Mr. HATCH, from the Committee on Labor and Human Resources, submitted the following

REPORT

[To accompany S. 2574]

The Committee on Labor and Human Resources to which was referred the bill (S. 2574) entitled the "Nurse Education Amendments of 1984", having considered the same, reports favorably thereon with amendments and an amendment to the title and recommends that the bill (as amended) do pass.

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I. SUMMARY OF BILL

NURSING SPECIAL PROJECTS

The Committee's bill reauthorizes the nursing special projects program providing grants and contracts for: (1) increasing nursing education opportunities for individuals from disadvantaged back-

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grounds; (2) providing continuing education for nurses; (3) providing appropriate retraining opportunities for nurses; (4) helping to increase the supply or improve the distribution by geographic area or by specialty group of adequately trained nursing personnel; and (5) providing training and education to upgrade the skills of licensed vocational or practical nurses, nursing assistants, and other paraprofessional nursing personnel. For these projects, the bill authorizes $10 million for FY 1985, $11 million for FY 1986, and $12 million for FY 1987. The Committee's bill adds two new purposes for which grants and contracts may be awarded under the special projects authority: (1) demonstrate clinical nurse training programs which combine educational curricula and clinical practice in health care delivery organizations, including acute care facilities, long-term care facilities, and ambulatory care facilities; (2) improve access to nursing services in noninstitutional settings through support of nursing practice arrangements in communities; or (3) encourage nursing graduates to practice in health manpower shortage areas, to improve specialty geographical distribution of nurses in the United States.

For these projects, the bill authorizes $5 million for fiscal year 1985, $5.5 million for 1986, and $6.0 million for fiscal year 1987, and not less than 25 percent of the funds appropriated for this purpose will be obligated for improving access to nursing services in noninstitutional settings.

ADVANCED NURSE EDUCATION

The Committee's bill revises the advanced nurse education program to authorize grants to and contracts with public and private nonprofit collegiate schools of nursing to: (1) plan, develop, and operate; (2) expand; or (3) maintain programs which lead to master and doctoral degrees and which prepare professional nurses to serve as nurse educators, administrators, consultants, researchers, or to serve in clinical nurse specialties determined by the Secretary. The bill authorizes $18 million for fiscal year 1985, $18.5 million for fiscal year 1986, and $19.5 million for fiscal year 1987.

NURSE PRACTITIONER PROGRAMS

The bill revises the authority for nurse practitioner programs to authorize grants and contracts for schools of nursing to: (1) plan, develop, and operate; (2) expand; or (3) maintain programs for the education of nurse practitioners. The bill also authorizes grants and contracts for schools of nursing and appropriate public and private entities for accredited certificate programs for nurse midwives. For these grants and contracts, the bill authorizes $12 million for fiscal year 1985, $13 million for fiscal year 1986, and $14 million for fiscal year 1987.

The bill amends the definition of programs for the education of nurse practitioners to add that, except for programs for nurse midwives, these programs must lead to a master's or doctoral degree. The bill also authorizes the Secretary to use funds appropriated under this section as amended to award a one-year grant or contract to a school, hospital, or entity which received a grant or contract under the previous authority during fiscal year 1984 for nurse

practitioner training programs or traineeships programs to maintain any of these programs which are in existence at the end of fiscal year 1984.

TRAINEESHIPS FOR ADVANCED EDUCATION OF PROFESSIONAL NURSES

The Committee's bill revises the authority for traineeships for the advanced education of professional nurses to authorize the Secretary to make grants to public and private nonprofit schools of nursing to cover the cost of traineeships for nurses in master's and doctoral degree programs to educate such nurses to serve in and prepare for practice as: (1) nurse practitioners and nurse midwives; (2) nurse administrators, educators and nurse researchers; and (3) other professional nursing specialities determined by the Secretary to require advanced training. The bill provides a new program focus by giving the Secretary authority to make grants to cover the costs of post baccalaureate and post doctoral fellowships for faculty in schools of nursing to enable such faculty to:

(1) Expand knowledge with respect to nursing by working with groups of students;

(2) investigate cost-effective alternatives to traditional health care modalities, with special attention to the needs of at-risk populations, such as the elderly, premature newborns, physically and mentally disabled individuals, and ethnic minority groups;

(3) examine nursing interventions that result in positive outcomes in health status, with attention to interventions which address family violence, drug and alcohol abuse, the health of women, adolescent care, disease prevention, and ethical concerns; and

(4) Address other areas of nursing practice considered by the Secretary to require additional study.

The bill authorizes for these traineeships $12 million for fiscal year 1985, $13 million for fiscal year 1985, and $14 million for fiscal year 1987, and authorizes for faculty fellowships $3 million for fiscal year 1985, $3.5 million for fiscal year 1986, and $4.0 million for fiscal year 1987.

NURSE ANESTHETISTS

The Committee's bill extends the authority for traineeships for training of nurse anesthetists and adds new authority for grants to public or private non-profit institutions to cover the cost of projects to improve existing programs for the education of nurse anesthetists, including grants to such institutions for the purpose of providing financial assistance and support to certified registered nurse anesthetists who are faculty members of accredited programs to enable such persons to obtain advanced education relevant to their teaching functions. The bill authorizes for the revised authority $1 million for FY 1985, $1.3 million for FY 1986, and $16 million for FY 1987.

NURSING STUDENT LOANS

The Committee's bill extends the nursing student loan program and authorizes for new capital contributions to schools' revolving loan funds $1 million for fiscal year 1985, $1.3 million for fiscal year 1986, and $1.6 million for fiscal year 1987. The bill requires the Secretary to allot to schools of nursing amounts returned to the Secretary from terminated loan funds and excess amounts collected by schools and to give schools of nursing which established student loan after September 30, 1975 priority in the allotment of these funds. The bill repeals the provision which requires that not less than $1 million of nursing student loan apropriations for any fiscal year be reserved for loans to those students who have not been students or employed on a full-time basis for the past seven years. In addition, the bill eliminates the preference for nursing student loans which currently must be given to first-year students.

The Committee's bill also authorizes the Secretary of the Treasury to disclose to the Secretary of the Department of Health and Human Services (DHHS) the address of those persons who have defaulted on nursing student loans and allows the Secretary of DHHS to disclose this information to nursing schools to assist them in the collection of defaulted loans.

BUREAU OF NURSING

The Committee's bill establishes in the Health Resources and Services Administration a new Bureau of Nursing, to be headed by a Director appointed by the Secretary and composed of: (1) the Division for Advanced Education; (2) the divison for Nurse Educational Support; and (3) the Center for Nursing Studies and Research. The Center for Nursing Studies and Research will conduct and support programs of basic and clinical research, training, and information dissemination relating to: (1) the promotion of health; (2) the prevention of illness; (3) the responses of patients and their families to acute and chronic illnesses, disabilities, and the aging process; and (4) nursing education, nursing services, and professional nursing resources. In addition, the Center will administer: (1) programs of research, training, and information dissemination relating to nursing conducted and supported by the Secretary under section 301 of the PHS Act; and (2) the program of National Research Service Awards relating to nursing under section 472 of the PHS Act.

The bill authorizes $5 million for fiscal year, 1985, $5.5 million for fiscal year 1986, and $6 million for fiscal year 1987 for research conducted and supported by the Center for Nursing Research. These amounts would be in addition to those appropriated under sections 301 and 472. The bill also authorizes $2 million for fiscal year 1985 for the establishment and initial operation of the Bureau of Nursing.

II. Background and Need for Legislation

The Federal Government has provided financial assistance for nurse training and education programs since the 193[illegible]s. However, the first comprehensive Federal authority to provide funds for

nursing education was established in 1964, with the enactment of the Nurse Training Act of 1964, P.L. 88-581. This legislation, which consolidated and expanded existing programs of support in a new title VIII of the Public Health Service Act, was passed in response to perceived shortages of professional nurses in the country.

The nurse training authority of title VIII has provided essentially two kinds of assistance—institutional support for nursing schools and financial assistance for nursing students. This support has increased the enrollments and graduates of nursing educational institutions. It has provided student financial assistance in the form of loans and traineeships and has also increased the opportunities of nurses to obtain advanced training to become nursing administrators, nurse practitioners, and clinical nurse specialists.

Title VIII was last extended in 1981 by P.L. 97-35, the Omnibus Budget Reconciliation Act of 1981. In fiscal year 1984, title VIII nurse training programs received appropriations of $42,176,000. Title VIII appropriations for fiscal year 1982 through 1984 are detailed in the following table.

FISCAL YEAR 1982-84 APPROPRIATIONS FOR TITLE VIII, NURSE TRAINING PROGRAMS

[In thousands of dollars]

	Fiscal year—		
	1982	1983	1984
Special projects (sec. 820)	6,175	6,333	7,156
Advanced nursing training (sec. 821)	11,520	13,260	13,260
Nurse practitioner (sec. 822)	11,520	11,760	11,760
Advanced nurse traineeship (sec. 830)	9,600	9,600	9,600
Nurse anesthetists (sec. 831)			400
Nursing student loans	6,720	110	
Loan repayments/cancellation	940	2,500	
Total	46,475	43,563	42,176

In addition, the Department of Health and Human Services estimates that $18 million will be available in nursing school revolving loan funds for new nursing student loan awards in each of the fiscal years 1984 and 1985.

The Nation's supply of registered nurses has increased dramatically since 1964 when title VIII was established. At that time there were 550,000 registered nurses in the country. The Surgeon General's Consultant Group on Nursing concluded in 1964 that the Nation would need 850,000 nurses by 1970 to provide a satisfactory level of nursing services. Today there are nearly 1.7 million nurses nationwide. Of this total, approximately 1.3 million are employed in a variety of settings, including hospitals, nursing homes, physicians' offices, clinics, and nursing schools.

In addition, increases in nursing employment have more than kept pace with population growth. In 1965, there were an estimated 319 nurses per 100,000 population, or 279 full-time equivalent nurses per 100,000 population. By December 13, 1980, these ratios had increased to 560 employed nurses per 100,000 population and 470 full-time equivalent nurses employed per 100,000 population, a 75 percent and 68 percent increase, respectively.

Title VIII has succeeded in meeting one of the principal objectives of the original authorizing legislation of 1964. The 1983 comprehensive report of the Institute on Medicine, Nursing and Nursing Education: Public Policies and Private Actions observed that on the basis of all evidence it had been able to study, there was not in the aggregate a significant national shortage of generalist registered nurses. However, the Institute of Medicine study did identify shortages that occur unevenly throughout the Nation in different geographic areas, in different health care settings, and in specialty nursing. In addition, this study found that the number of nurses with master's and doctoral degrees should be increased to fill positions in administration and management of clinical services and of health care institutions, in academic nursing (teaching, research, and practice), and in clinical specialty practice. It is these and other concerns which the Committee's bill is designed to address.

III. History of S. 2574, Including Hearings

A bill, S. 2574, to reauthorize Title VIII of the PHS for support of nurse educational programs was introduced by Senator Hatch on April 12, 1984 and referred to the Committee on Labor and Human Resources.

A hearing was held on March 14, 1984 relating to the reauthorization of Title VIII programs. Testimony was presented by Dr. Edward N. Brandt, Assistant Secretary for Health, Department of Health and Human Services, accompanied by Dr. Robert Graham, Administrator, Health Resources and Services Administration; Dr. Rheba de Tornyay, R.N., E.D., Dean of the School of Nursing, University of Washington, Seattle, Washington, representing the Tri-Council on Nursing (American Nurses Association, American Colleges of Nursing, and National League for Nursing), accompanied by Elaine Lawson, R.N., Ph. D., F.A.A.N., Robert Wood Johnson Clinical Nurse, Scholar, University of Pennsylvania, Philadelphia; and Ann Voda, R.N., Ph. D., University of Utah School of Nursing, Salt Lake City, Utah.

Written testimony was submitted by: The American Association of Nurse Anesthetists, American College of Nurse-Midwives, ANA, AACN, NLN, National Association of Pediatric Nurse Associates and Practitioners.

On May 9, 1984, the Committee met in open executive session to consider an amended version of the bill which incorporated the recommendations and comments of members of the Committee, professional societies, the Administration, and interested individuals. The bill as amended was ordered reported favorably to the Senate.

IV. Text of S. 2574 As Reported

A BILL Entitled the "Nurse Education Amendments of 1984"

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Nurse Education Amendments of 1984".

REFERENCE

SEC. 2. Except as otherwise specifically provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or a repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Public Health Service Act.

SPECIAL PROJECTS

SEC. 3. (a) Section 820(a) is amended—

~~(1) by inserting "such as projects" after "special projects" in the matter preceding paragraph (1);~~

~~(2)~~*(1)* by striking out "or" after the semicolon in paragraph (4);

~~(3)~~*(2)* by striking out the period at the end of paragraph (5) and inserting in lieu thereof a semicolon; and

~~(4)~~*(3)* by inserting after paragraph (5) the following:

~~"(6) demonstrate institutional and nursing service organizational arrangements that support more cost effective health care delivery systems; or~~

~~"(7) demonstrate effective means of facilitating the transition of students in schools of nursing to nursing practice.".~~

"(6) demonstrate clinical nurse education programs which combine educational curricula and clinical practice in health care delivery organizations, including acute care facilities, long-term care facilities, and ambulatory care facilities;

"(7) demonstrate methods to improve access to nursing services in noninstitutional settings through support of nursing practice arrangements in communities; or

"(8) demonstrate methods to encourage nursing graduates to practice in health manpower shortage areas (designated under section 332) in order to improve the specialty and geographical distribution of nurses in the United States.".

(b) Section 820(d) is amended—

(1) by striking out the first sentence and inserting in lieu thereof: "(1) For payments under grants and contracts under paragraphs (1) through (5) of subsection (a), there are authorized to be appropriated ~~$7,000,000~~ *$10,000,000* for the fiscal year ending September 30, 1985, ~~$7,300,000~~ *$11,000,000* for the fiscal year ending September 30, 1986, and ~~$7,700,000~~ *$12,000,000* for the fiscal year ending September 30, ~~1987"~~ *1987.*";

(2) by striking out "this subsection" in the second sentence and inserting in lieu thereof "this paragraph";

(3) by striking out "1981," in such sentence and inserting in lieu thereof "1984,"; and

(4) by adding at the end thereof the following new paragraph:

"(2) For payments under grants and contracts under paragraphs ~~(6) and (7)~~ *(6), (7), and (8)* of subsection (a), there are authorized to be appropriated ~~$2,000,000~~ *$5,000,000* for the fiscal year ending September 30, 1985, ~~$2,100,000~~ *$5,500,000* for the fiscal year ending September 30, 1986, and ~~$2,200,000~~ *$6,000,000* for the fiscal year ending September 30, ~~1987.".~~ *1987. Not less than 25 percent of the*

amounts appropriated under this paragraph shall be obligated for grants and contracts under paragraph (7) of subsection (a).".

ADVANCED NURSE EDUCATION

SEC. 4. Section 821 is amended to read as follows:

"ADVANCED NURSE EDUCATION

"SEC. 821. (a) The Secretary may make grants to and enter into contracts with public and private nonprofit collegiate schools of nursing to meet the costs *of projects* to—

"(1) Plan, develop, and operate,

"(2) expand, *or*

"(3) maintain,

programs which lead to masters' and doctoral degrees and which prepare professional nurses to serve as nurse educators, administrators, consultants, *or* researchers or to serve in clinical nurse specialties determined by the Secretary.

"(b) For payments under grants and contracts under this section, there are authorized to be appropriated ~~$11,000,000~~ *$17,500,000* for the fiscal year ending September 30, 1985, ~~$11,500,000~~ *$18,500,000* for the fiscal year ending September 30, 1986, and ~~$12,000,000~~ *$19,500,000* for the fiscal year ending September 30, 1987.".

NURSE PRACTIONER PROGRAMS

SEC. 5. (a)(1) Paragraph (1) of section 822(a) is amended to read as follows:

"(1)(A) The Secretary may make grants to and enter into contracts with public and private nonprofit school of nursing *to meet the cost of projects* to—

"(i) plan, develop, and operate,

"(ii) expand, or

"(iii) maintain,

programs for the education of nurse practitioners.

"(B) The Secretary may make grants to and enter into contracts with public and private nonprofit schools of nursing and appropriate public and private nonprofit entities *to meet the costs of projects* to—

"(i) plan, develop, and operate,

"(ii) expand, or

"(iii) maintain,

accredited certificate programs for nurse midwives.".

(2) Paragraph (2) of such section is amended—

(A) by striking out subparagraph (A) and inserting in lieu thereof the following:

"(2)(A) For purposes of this section, the term 'programs for the education of nurse practitioners' means educational programs for registered nurses which—

"(i) meet guidelines prescribed by the Secretary in accordance with subparagraph (B);

"(ii) have as their objective the education of nurses (including pediatric nurses, geriatric nurses, and nurse midwives) who will, upon completion of their studies in such programs, be

qualified to effectively provide primary health care, including primary health care in homes and in ambulatory care facilities, long term care facilities, and other health care institutions; and

"(iii) lead to a masters' degree or a doctoral degree, except that compliance with the provisions of this clause is not required for programs to educate nurse midwives."; and

"(B) by striking out "training" in subparagraph (B) and inserting in lieu thereof "education".

(b) Section 822 is further amended by striking out subsections (b) and (d) and by redesignating subsections (c) and (e) as subsections (b) and (c), respectively.

(c) Section 822(b) (as redesignated by subsection (b) of this section) is amended by striking out "training" and inserting in lieu thereof "education".

(d) Section 822(c) (as redesignated by subsection (b) of this section) is amended to read as follows:

"(c) For payments under grants and contracts under this section, there are authorized to be appropriated ~~$9,000,000~~ *$12,000,000* for the fiscal year ending September 30, 1985, ~~$9,400,000~~ *$13,000,000* for the fiscal year ending ~~September~~ *September* 30, 1986, and ~~$9,900,000~~ *$14,000,000* for the fiscal year ending September 30, 1987.".

(e)(1) Notwithstanding the amendments made by subsections (a), (b), and (c) of this section, the Secretary of Health and Human Services may make one grant or enter into one contract with a school, hospital, or entity which, in fiscal year 1984, received a grant or contract under section 822 of the Public Health Service Act (as such section was in effect on September 30, 1984) in order to enable such school, hospital, or entity to maintain programs for the training of nurse practitioners which are in existence on September 30, 1984, or traineeship programs to train nurse practitioners which are in existence on such date. The provisions of such section (as such section as in effect on September 30, 1984) shall apply to grants made and contracts entered into under the preceding sentence.

(2) The Secretary of Health and Human Services may use funds appropriated under subsection (c) of section 822 of the Public Health Service Act (as amended and redesignated by subsections (b) and (d) of this section) for grants and contracts under paragraph (1) of this subsection.

TRAINEESHIPS FOR ADVANCED EDUCATION OF PROFESSIONAL NURSES

SEC. 6. (a) Paragraph (1) of section 830(a) is amended to read as follows:

"(1)(A) The Secretary may make grants to public and private nonprofit schools of nursing to cover the cost of traineeships for nurses in masters' degree and doctoral degree programs in order to educate such nurses to—

"(i) serve in and prepare for practice as nurse practitioners,

"(ii) serve in and prepare for practice as nurse administrators, *nurse* educators, and nurse researchers, or

"(iii) serve in and prepare for practice in other professional nursing ~~specialities~~ *specialties* determined by the Secretary to require advanced education.

"(B) The Secretary may make grants to public and private nonprofit schools of nursing *and appropriate public and private nonprofit entities* to cover the cost of traineeships to educate nurses to serve in and prepare for practice as nurse midwives.".

~~(b) Section 830 (b) is amended to read as follows:~~

~~"(b) There are authorized to be appropriated for purposes of this section $9,000,000 for the fiscal year ending September 30, 1985, $9,400,000 for the fiscal year ending September 30, 1986, and $9,900,000 for the fiscal year ending September 30, 1987.".~~

~~(c) Section 830 is further amended by striking out "TRAINING" in the section heading and inserting in lieu thereof "EDUCATION".~~

(b) Section 830 is further amended—

(1) by redesignating subsection (b) as subsection (c);

(2) by inserting "(1)" before "There" in such subsection;

(3) by striking out "this section" in the first sentence of such subsection and inserting in lieu thereof "subsection (a)";

(4) by striking out "and" after "1983," in such sentence;

(5) by inserting a comma and "$12,000,000 for the fiscal year ending September 30, 1985, $13,000,000 for the fiscal year ending September 30, 1986, and $14,000,000 for the fiscal year ending September 30, 1987" before the period in such sentence;

(6) by striking out the second sentence of such subsection;

(7) by adding at the end of such subsection the following new paragraph:

"(2) To carry out subsection (b), there are authorized to be appropriated $3,000,000 for the fiscal year ending September 30, 1985, $3,500,000 for the fiscal year ending September 30, 1986, and $4,000,000 for the fiscal year ending September 30, 1987.";

(8) by inserting after subsection (a) the following new subsection:

"(b) The Secretary may make grants to public or private nonprofit schools of nursing to cover the costs of post baccalaureate and post doctoral fellowships for faculty in such schools to enable such faculty to—

"(1) expand knowledge with respect to nursing by working with groups of students;

"(2) investigate cost-effective alternatives to traditional health care modalities, with special attention to the needs of at-risk populations, such as the elderly, premature infants, physically and mentally disabled individuals, and ethnic and minority groups;

"(3) examine nursing interventions that result in positive outcomes in health status, with attention to interventions which address family violence, drug and alcohol abuse, the health of women, adolescent care, disease prevention, and ethical concerns; and

"(4) address other areas of nursing practice considered by the Secretary to require additional study."; and

"(9) by striking out "TRAINING" in the section heading and inserting in lieu thereof "EDUCATION".

NURSE ANESTHETISTS

SEC. 7. (a) Section 831(a)(1) is amended by striking out "Commissioner" and inserting in lieu thereof "Secretary".

(b) Section 831 is further amended by redesignating subsection (b) as subsection (c) and by inserting after subsection (a) the following new subsection:

"(b) The Secretary may make grants to public or private nonprofit institutions to cover the cost of projects to improve existing programs for the education of nurse anesthetists which are accredited by an entity or entities designated by the Secretary of Education, including grants to such institutions for the purpose of providing financial assistance and support to certified registered nurse anesthetists who are faculty members of accredited programs to enable such nurse anesthetists to obtain advanced education relevant to their teaching functions.".

(c) Section 831(c) (as redesignated by subsection (b) of this section) is amended to read as follows:

"(c) For the purpose of making grants under this section, there are authorized to be appropriated ~~$400,000~~ *$1,000,000* for the fiscal year ending September 30, 1985, ~~$420,000~~ *$1,300,000* for the fiscal year ending September 30, 1986, and ~~$440,000~~ *$1,600,000* for the fiscal year ending September 30, 1987.".

(d) The section heading for such section is amended by striking out "TRAINEESHIPS FOR THE TRAINING OF".

STUDENT LOANS

SEC. 8. (a) The last sentence of section 836(a) is amended by striking out "and to persons who enter as first-year students after enactment of this title".

(b) Section 837 is amended—

(1) by striking out the first sentence and inserting in lieu thereof the following. "There are authorized to be appropriated for allotments under section 838 to schools of nursing for Federal capital contributions to their student loan funds established under section 835, ~~$4,000,000~~ *$1,000,000* for the fiscal year ending September 30, 1985, ~~$4,200,000~~ *$1,300,000* for the fiscal year ending September 30, 1986, and ~~$4,400,000~~ *$1,600,000* for the fiscal year ending September 30, 1987.";

(2) by striking out "1985," in the second sentence and inserting in lieu thereof "1988,";

(3) by striking out "1984," in such sentence and inserting in lieu thereof "1987,"; and

(4) by striking out the last two sentences.

(c) Section 838 is amended by striking out subsections (a) and (b) and inserting in lieu thereof the following:

"(a)(1) The Secretary shall from time to time set dates by which schools of nursing must file applications for Federal capital contributions.

"(2) If the total of the amounts requested for any fiscal year in such applications exceeds the total amount appropriated under section 837 for that fiscal year, the allotment from such total amount to the loan fund of each school of nursing shall be reduced to whichever of the following is the smaller: (A) the amount requested

in its application or (B) an amount which bears the same ratio to the total amount appropriated as the number of students estimated by the Secretary to be enrolled on a full-time basis in such school during such fiscal year bears to the estimated total number of students enrolled in all such schools on a full-time basis during such year. Amounts remaining after allotment under the preceding sentence shall be reallotted in accordance with clause (B) of such sentence among schools whose applications requested more than the amounts so allotted to their loan funds, but with such adjustments as may be necessary to prevent the total allotted to any such school's loan fund under this paragraph and paragraph (3) from exceeding the total so requested by it.

"(3) Funds which, pursuant to section 839(c) or pursuant to a loan agreement under section 835, are returned to the Secretary in any fiscal year, shall be available for allotment in such fiscal year and in the fiscal year succeeding the fiscal year. Funds described in the preceding sentence shall be allotted among schools of nursing in such manner as the Secretary determines will best carry out the provisions of this subpart, except that in making such allotments, the secretary shall give priority to schools of nursing which established student loan funds under this subpart after September 30, 1975.

"(b) Allotments to a loan fund of a school shall be paid to it from time to time in such installments as the Secretary determines will not result in unnecessary accumulations in the loan fund at such school.".

(d) Section 839 is amended—

(1) by striking out "1987," each place it appears in subsections (a) and (b) and inserting in lieu thereof "1990,"; and

(2) by adding at the end thereof the following new subsection:

"(c)(1) Within 30 days after the termination of any agreement with a school under section 835 or the termination in any other manner of a school's participation in the loan program under this subpart, such school shall pay to the Secretary from the balance of the loan fund of such school established under section 835, an amount which bears the same ratio to the balance in such fund on the date of such termination as the total amount of the Federal capital contributions to such fund by the Secretary pursuant to section 835(b)(2)(A) bears to the total amount in such fund on such date derived from such Federal capital contributions and from funds deposited in the fund pursuant to section 835(b)(2)(B). The remainder of such balance shall be paid to the school.

"(2) A school to which paragraph (1) applies shall pay to the Secretary after the date on which payment is made under such paragraph and not less than quarterly, the same proportionate share of amounts received by the school after the date of termination referred to in paragraph (1) in payment of principal or interest on loans made from the loan fund as was determined for the Secretary under such paragraph.".

(e) Section 6103(m) of the Internal Revenue Code of 1954 is amended—

(1) by inserting "administered by the Department of Education" before the period in the paragraph heading of paragraph (4); and

(2) by adding at the end thereof the following new paragraph:

"(5) INDIVIDUALS WHO HAVE DEFAULTED ON STUDENT LOANS ADMINISTERED BY THE DEPARTMENT OF HEALTH AND HUMAN SERVICES.—

"(A) IN GENERAL.—Upon written request by the Secretary of Health and Human Services, the Secretary may disclose the mailing address of any taxpayer who has defaulted on a loan made under ~~subpart II~~ of part C of title VII of the Public Health Service Act or under subpart II of part C of title VIII of such Act, for use only by officers, employees, or agents of the Department of Health and Human Services for the purposes of locating such taxpayer for purposes of collecting such loan.

~~"(B) DISCLOSURE TO SCHOOLS.—Any mailing address disclosed under subparagraph (A) may be disclosed by the Secretary of Health and Human Services to any school with which the Secretary of Health and Human Services has an agreement under subpart II of part C of title VII of the Public Health Service Act or subpart II of part C of title VIII of such Act, for use only by officers, employees, or agents of such school whose duties relate to the collection of student loans for purposes of locating individuals who have defaulted on student loans made under such subpart for the purposes of collecting such loans.".~~

"(B) DISCLOSURE TO SCHOOLS AND ELIGIBLE LENDERS.—Any mailing address disclosed under subparagraph (A) may be disclosed by the Secretary of Health and Human Services to—

"(i) any school with which the Secretary of Health and Human Services has an agreement under subpart II of part C of title VII of the Public Health Service Act or subpart II of part C of title VIII of such Act, or

"(ii) any eligible lender (within the meaning of section 737(4) of such Act) participating under subpart I of part C of title VII of such Act,

for use only by officers, employees, or agents of such school or eligible lender whose duties relate to the collection of student loans for purposes of locating individuals who have defaulted on student loans made under such subpart for the purposes of collecting such loans.".

REPEALS

SEC. 9. (a) Sections 801, 802, 803, 805, 810, 811, and 815 are repealed.

(b) Part A of title VIII is amended by striking out the headings for subparts I, II, III, and IV.

(c) Section 804 is redesignated as section 858, and is amended—

(1) by striking out "this subpart" in the matter preceding clause (1) and inserting in lieu thereof "subpart I of part A (as such subpart was in effect prior to September 30, 1984);

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(2) by inserting "under subpart I of part A (as such subpart was in effect prior to September 30, 1984) after "Federal participation" in the matter following clause (3); and

(3) by adding "FOR CONSTRUCTION ASSISTANCE" at the end of the section heading.

(d) Section 851(b) is amended by striking out ", and in the review of applications for construction projects under subpart I of part A, of applications under section 805, and of applications under subpart III of part A".

(e) Section 853(1) is amended by striking out "the Canal Zone,".

(f) Section 853(6) is amended to read as follows:

"(6) The term 'accredited' when applied to any program of nurse education means a program accredited by a recognized body or bodies, of by a State agency, approved for such purpose by the Secretary of Education and when applied to a hospital, school, college, or university (or a unit thereof) means a hospital, school, college, or university (or a unit thereof) which is accredited by a recognized body or bodies, or by a State agency, approved for such purpose by the Secretary of Education, except that a school of nursing seeking an agreement under subpart II of part C for the establishment of a student loan fund, which is not, at the time of the application under such subpart, eligible for accreditation by such a recognized body or bodies or State agency, shall be deemed accredited for purposes of such subpart if the Secretary of Education finds, after consultation with the appropriate accreditation body or bodies, that there is reasonable assurance that the school will meet the accreditation standards of such body or bodies prior to the beginning of the academic year following the normal graduation date of students who are in their first year of instruction at such school during the fiscal year in which the agreement with such school is made under such subpart; except that the provisions of this clause shall not apply for purposes of section 838. For the purpose of this paragraph, the Secretary of Education shall publish a list of recognized accrediting bodies, and of State agencies, which ~~he determines to~~ the Secretary of Education *determines to be* reliable authority as to the quality of education offered.".

BUREAU OF NURSING

SEC. 10. (a) Parts B and C of title VIII are redesignated as parts C and D, respectively.

(b) Title VIII is amended by inserting before section 820 the following:

"PART B—SPECIAL PROJECTS".

(c) Part A of title VIII is amended to read as follows:

"PART A—BUREAU OF NURSING

"ESTABLISHMENT

"SEC. 801. (a) There is established in the Health Resources and Services Administration the Bureau of Nursing. The Bureau shall be composed of—

"(1) the Division for Advanced Nurse Education established by section 802,

"(2) the Division for Nurse Educational Support established by section 803; and

"(3) the Center for Nursing Studies and Research established by section 804.

"(b) The Bureau shall be headed by a Director, who shall be appointed by the Secretary. The Secretary shall carry out this title through the Director.

"(c) The Secretary shall carry out the provisions of section 951 of the Nurse Training Act of 1975 through the Director.

"DIVISION FOR ADVANCED NURSE EDUCATION

"SEC. 802. There is established in the Bureau the Division for Advanced Nurse Education. The Secretary shall carry out part B through the Director and the Division.

"DIVISION FOR NURSE EDUCATIONAL SUPPORT

"SEC. 803. There is established in the Bureau the Division of Nurse Educational Support. The Secretary shall carry out part C through the Director and the Division.

"CENTER FOR NURSING STUDIES AND RESEARCH

"SEC. 804. (a) There is established in the Bureau the Center for Nursing Studies and Research. The Secretary, through the Center, shall conduct and support programs of basic and clinical research, training, and information dissemination relating to—

(1) the promotion of health;

(2) the prevention of illness;

(3) the responses of patients and their families to acute and chronic illnesses, disabilities, and the aging process; and

(4) nursing education, nursing services, and professional nursing resources.

Programs conducted under this subsection shall be in addition to the programs described in paragraphs (1) and (2) of subsection (b).

"(b) The Secretary shall carry out through the Center—

"(1) programs of research, training, and information dissemination relating to nursing conducted and supported by the Secretary under section 301; and

"(2) the program of National Research Service Awards relating to nursing under section 472.

AUTHORIZATION OF APPROPRIATIONS

"SEC. 805. (a) To carry out section 804(a), there are authorized to be appropriated ~~$10,000,000~~ *$5,000,000* for the fiscal year ending September 30, 1985, ~~$10,500,000~~ *$5,500,000* for the fiscal year ending September 30, 1986, and ~~$11,000,000~~ *$6,000,000* for the fiscal year ending September 30, 1987. Amounts appropriated under this subsection shall be in addition to amounts appropriated under sections 301 and 472.

"(b) For the establishment and initial operation of the Bureau, there are authorized to be appropriated $2,000,000 for the fiscal

year ending September 30, ~~1985.~~ *1985, and each of the two succeeding fiscal years.*".

(d) Section 853 is amended by adding at the end thereof the following new paragraphs:

"(11) The term 'Bureau' means the Bureau of Nursing established under section 801.

"(12) The term 'Director' means the Director of the Bureau.".

(e)(1) The Division of Nursing of the Health Resources and Services Administration of the Department of Health and Human Services is terminated.

(2) Section 472 is amended—

(A) by striking out "Division of Nursing of the Health Resources Administration," in subsection (a)(1)(A)(i) and inserting in lieu thereof "Bureau of Nursing of the Health Resources and Services Administration,"; and

(B) by striking out "Division" in such subsection and inserting in lieu thereof "Bureau".

EFFECTIVE DATE

SEC. 11. This Act and the amendments and repeals made by this Act shall take effect on October 1, 1984.

Amend the title so as to read: "A bill to revise and extend title VIII of the Public Health Service Act, relating to nurse education.".

V. COMMITTEE VIEWS

Title VIII of the Public Health Service Act, Nurse Training, has proven in its 19 years of existence to be an effective mechanism in alleviating once critical shortages of generalist nurses.

But medical advancements and the growing concern over rising medical costs applied increasing pressure on nursing schools to educate nurses with advanced degrees in the general areas of administration, teaching and long-term care; and the specific clinical areas of geriatric, pediatric and community-health nursing.

These circumstances led Congress to seek a new direction for federal support of nurse education programs. The Nurse Training Act Amendments of 1979 mandated a study to:

(1) Determine the need to continue a specific program of Federal financial support for nursing education;

(2) Determine the reasons nurses do not practice in medically underserved areas and recommend actions to alleviate those problems; and,

(3) To recommend ways to encourage nurses to remain in or re-enter the nursing profession.

The Institute of Medicine conducted the study which was completed early in 1983. Its recommendations are the basis for many of the changes in Title VIII programs proposed by S. 2574, the "Nurse Education Amendments of 1984." This bill was reported from Committee on May 9, 1984, and reathorized Title VIII programs and continues the increased federal focus on advanced training with several new initiatives.

PROGRAM CHANGES

Section 820—Special Projects. Gives the Secretary authority to make grants to or enter into contracts with public or private schools of nursing and other entities to carry out projects relating to training and utilization of nursing personnel. Section 820 has supported programs to: provide for educational assistance to individuals from disadvantaged backgrounds; improve career advancement opportunities for graduates of associate degree and diploma schools and for licensed practical nurses; to provide continuing education, and for other purposes. S. 2574 adds an additional purpose to Sec. 820.

This new subsection would provide grants and contracts for the purpose of demonstrating:

(1) More effective means of facilitating the transition of students in schools of nursing to nursing practice.

(2) Methods to improve access to nursing services through support of nurse practice arrangements in communities and;

(3) Means of encouraging nursing graduates to practice in areas with shortages of health personnel.

The IOM study (Nursing and Nursing Education: Public Policies and Private Actions; Division of Health Care Services, Institute of Medicine, National Academy Press, 1983. Henceforth referred to in this report as the "IOM Study.") reports that "inadequate collaboration between nurse educators and employers has resulted in dissatisfaction among both groups. Employers feel that many newly licensed nurses are unprepared to assume the responsibilities of clinical nursing, and some nurse educators believe that employers are unprepared to make optimum use of the knowledge and skills that their graduates bring to the job. Collaborative arrangements of various kinds have successfully brought together educators and employers of nurses for their mutual benefit and for improved patient care." (Pages 126-130)

The Committee concurs with the recommendation of the IOM study that closer "collaboration between nurse educators and nurses who provide patient services is essential to giving students an appropriate balance of academic and clinical practice perspectives and skills during their educational preparation." (Page 130)

Though generalist nursing shortages may have diminished, the need for nursing care in rural and urban underserved areas still remains. The American Association of Colleges of Nursing testified before the Labor and Human Resources Committee and reported the following in written testimony: "Various forms of out-reach programs can be designed to suit the requirements and needs of students who, for reasons of family, residence, or the need to continue employment while studying, cannot readily attend existing campus programs. As well as improving the access to nursing services in the community, these (demonstration) projects will improve the geographic and specialty distribution of manpower.

Faculty Fellowships

The IOM Study reported that state boards of nursing were increasingly requiring that the deans and faculty of nursing schools hold graduate degrees. However, low numbers of nursing faculty

with advanced degrees, particularly doctorates, suggests a scarcity of nurse faculty with adequate academic credentials to meet those requirements. The Committee's bill creates a fellowship program that allows nursing faculty to apply for funds to continue their teaching responsibilities while pursuing research and other related activities.

Nurse Midwives

The Committee finds that certified nurse-midwives play a vital role in caring for women, infants and families in the United States and that certified nurse-midwives are playing an increasingly significant role in reduction of health care costs through innovations in women's health care. The Committee recommends that the Bureau of Nursing, to the extent possible, use its authority under Title VIII to increase the number of nurse-midwives who graduate each year, either through increasing the capacity of existing education programs or through assistance to new nurse-midwifery education programs.

Nursing Student Loans

On December 8, 1981, the Senate Committee on Governmental Affairs held a hearing on debt collection in the health professions. As part of this hearing, the General Accounting Office (GAO) testified on the repayment of loans made under the Health Professions and Nursing Student Loan programs, based on its review of 23 schools participating in these programs. In its testimony, the GAO identified a number of deficiencies in the manner in which schools and the Federal Government were administering the NSL Program. The major areas of concern were the lack of compliance by schools with sound loan collections procedures (which resulted in high delinquency rates), the existence of excess cash balances in the schools' revolving loan funds, and deficient recordkeeping. The GAO findings were supported by a Department of Health and Human Services (HHS) analysis of a number of assessments conducted at participating schools.

In response to the concerns raised by the Senate committee, the GAO findings, and the HHS analysis, nursing schools have undertaken various activities designed to improve the management of the NSL program. Each nursing school which had a high delinquency rate has developed a written Action Plan which identifies procedures that the school has implemented to assist in reducing its delinquency rate to an acceptable level. In addition, since June 30, 1982, every nursing school has conducted a quarterly review of its need for the cash available in its NSL revolving loan fund, and has immediately remitted to HHS any monies determined to be in excess of the school's needs. The heightened awareness among the nursing schools of the need to follow sound loan collection procedures and of the importance of closely monitoring the NSL fund has resulted in improvements in the overall management of the NSL program.

On June 3, 1983, the Department of Health and Human Services released a notice of proposed rule-making which, along with other changes in the regulations regarding student loans, set delinquency rates for nursing student loan programs at 5 percent. After receiv-

ing numerous comments regarding these proposed regulation changes, the Department determined to postpone the final rule-making process. The Committee strongly supports the efforts the Department has made to improve the nursing student loan program. It also recognizes and commends nursing schools nationwide, for their efforts to reduce delinquency rates and increase the efficiency of their loan collection program.

Further statutory changes were considered, but have not been adopted in anticipation of the Department's revised regulations. However, in light of the Committee's support of the Department's continuing effort to improve the day-to-day efficiency of this program, we strongly recommend the Department consider:

(1) the need to measure a school's compliance with loan regulations by a standard which is reasonable and achieveable for educational institutions;

(2) computation of delinquency rates include only that portion of the loan/loans which are overdue; and

(3) development of program guidelines which recognize the efforts schools have made to decrease delinquency and provide fair and attainable performance standards.

The Committee understands that a considerable propotion of delinquent borrowers under the Nursing Student Loan program may be individuals who did not complete their training or who have failed to pass State licensing examinations. For example, a recent survey of baccalaureate and higher degree nursing schools indicated an overall median loan delinquency rate for schools responding to the survey of 11.11 percent (using dollars as a base), compared to a median rate of 6.17 percent excluding borrowers who did not graduate or did not pass State board examinations.

Although the efforts of the nursing schools thus far have resulted in noticeable reductions in the level of delinquency in the NSL program, and although the Senate Committee on Governmental Affairs expressed pleasure in June, 1982, at the progress made by nursing schools in improving program management in a short period of time, the delinquency rates at many of the nursing schools indicate that there is still a need for further improvements in the collection of nursing student loan funds. Not only should endividuals repay their debts as a matter of principle, but also the availability of loans for future nursing students depends on the return of earlier loans to the schools' revolving funds.

To strengthen the ability of the schools to locate delinquent borrowers, the Committee bill would permit disclosure to the schools of taxpayer addresses of individuals who have defaulted on Nursing Student Loans. Under existing law, the Secretary of the Treasury may disclose taxpayer addresses to Federal agencies to assist in efforts to collect or compromise claims of the Federal Government. Because Nursing Student Loans are owed to schools, not the Government, special authority is needed to allow disclosure of addresses to the schools. The Committee bill would provide this authority.

In recognition of the continued need for aid to financially needy nursing students, the Committee bill would authorize limited additional appropriations for Federal capital contributions to school loan funds. To supplement appropriated funds, the Commtitee bill would allow certain monies returned from school loan funds be-

cause of the termination of programs, as "excess case," or for other reasons to be redistributed to other school loan programs, with priority to loan programs established after September 30, 1975. Under existing law, such "excess cash" must be returned to the U.S. Treasury. Newer loan programs have had less opportunity to build up revolving loan capital than have schools participating in the programs for a longer period.

Reorganization of the Division of Nursing

S. 2574 changes the current Division of Nursing, currently in the Health Resources and Services Administration, to a Bureau within the same administration. The Bureau would house three divisions:

—The Division for Advanced Education, which would administer the programs under Advanced Nurse Education, Nurse Practioner Programs, Nurse Anesthetists programs, Special Projects and any other programs which provide federal support through Title VIII to nursing schools;

—The Division of Nurse Educational Support, which would administer the student loans and traineeships and any other programs which provide financial support to students through Title VIII; and

—The Center for Nursing Studies and Research which will support and conduct programs of basic and clinical research, training and information dissemination.

The Center for Nursing Studies and Research came about primarily due to the IOM study's recommendations on nursing research. The report states that "a center of nursing research is needed at a high level in the federal government to be a focal point for promoting the growth of quality nursing research, and expand the pool of experienced nurse researchers who can become more competitive for general health care research dollars." (page 216)

The Center, as defined in S. 2574, would "support programs of basic and clinical research, training and information dissemination relating to the promotion of health, the prevention of illness, the responses of patients and their families to acute and chronic illnesses, disabilities and the aging process; nursing education, nursing services, and professional nursing resources." The Committee believes that, properly funded, this center could provide an initial forum for an increased federal effort in nursing research.

Currently, federal dollars spent directly on nursing research are appropriated under Section 472 of the Public Health Service Act. It is the intent of the Committee that funding appropriated for the purposes of Section 472 be continued, and that research funds authorized for nursing research under Title VIII not be viewed as substitute funding for Section 472 research funds or any other funding now currently supporting nurse research initiatives.

Rather, funds authorized for the Center will be used to support its programs and functions, including administering the grants made under Section 472. (Research monies appropriated under Section 472 for nursing research is currently administered by the Division of Nursing. This practice, under the provisions of S. 2574, would continue. Section 472 funds would be administered by the Bureau of Nursing, through the Center for Nursing Studies and Research.)

Funding authorized for the Center will be used to support programs such as: development of a network of information with regard to nursing research activities throughout the federal government; continuation of efforts to study and seek solutions for the problems faced by nurses involved in research activities both in the academic community and the private sector. The Committee intends that through these activities more nurses will become interested in pursuing careers in research.

Nurse Anesthetists

The Committee's bill includes a new Section 831(b) authorizing support to improve existing nurse anesthesia education programs. The provision would enable faculty to receive traineeships in order to obtain advanced degrees at the masters or doctoral level. There is a substantial need to expand the numbers of qualified teachers in nurse anesthesia and this traineeship program would assist in achieving that goal. The provision would also authorize grants for other projects such as curriculum development which would result in improving the quality of existing education programs.

VI. Tabulation of Votes Cast in Committee

Pursuant to section 133(b) of the legislative Reorganization Act of 1946, as amended.

On May 9, 1984 in open Executive Session the Committee on Labor and Human Resources unanimously voted to favorably report the bill as amended.

VII. Budget Estimate

U.S. Congress,
Congressional Budget Office,
Washington, D.C., May 14, 1984.

Hon. Orrin G. Hatch,
Chairman, Committee on Labor and Human Resources, U.S. Senate, Washington, D.C.

Dear Mr. Chairman: The Congressional Budget Office has prepared the attached cost estimate for S. 2574, a bill to revise and extend Title VIII of the Public Health Service Act relating to nurse education, ordered reported by the Senate Committee on Labor and Human Resources on May 9, 1984.

If you wish further details on this estimate, we will be pleased to provide them.

Sincerely,

Eric Hanushek
(For Rudolph G. Penner, Director).

Congressional Budget Office Cost Estimate

1. Bill number: S. 2574.
2. Bill title: A bill to revise and extend Title VIII of the Public Health Service Act relating to nurse education.
3. Bill status: As ordered reported by the Senate Committee on Labor and Human Resources on May 9, 1984.

4. Bill purpose: S. 2574 extends for three years the authorization for programs dealing with nurse education. The bill establishes the Bureau of Nursing within the Health Resources and Services Administration of the Public Health Service. The bill also authorizes new grants to nursing schools for faculty fellowships and for nurse midwife traineeships. This bill is subject to subsequent appropriations action.

5. Estimated cost to the Federal Government:

[By fiscal year, in millions of dollars]

	1985	1986	1987	1988	1989
Estimated authorization levels:					
Special projects:					
Increase educational opportunities for nurses	10.0	11.0	12.0		
Support of nursing practice	5.0	5.5	6.0		
Advanced nurse education	17.5	18.5	19.5		
Nurse practitioner program	12.0	13.0	14.0		
Traineeships	12.0	13.0	14.0		
Faculty fellowships	3.0	3.5	4.0		
Nurse anesthetists	1.0	1.3	1.6		
Nursing student loans	1.0	1.3	1.6	1.5	0.5
To establish Bureau of Nursing	2.0	2.0	2.0		
Center for Nursing Studies and Research	5.0	5.5	6.0		
Total estimated authorization level	68.5	74.6	80.7	1.5	.5
Estimated outlays:					
Special projects:					
Increase educational opportunities for nurses	2.8	8.0	10.6	8.4	2.6
Support of nursing practice	1.4	4.0	5.3	4.2	1.3
Advanced nurse education	4.9	13.9	17.8	13.8	4.3
Nurse practitioner program	3.4	9.6	12.6	9.8	3.1
Traineeships	3.4	9.6	12.6	9.8	3.1
Faculty fellowships	.8	2.5	3.4	2.7	.9
Nurse anesthetists	.3	0.9	1.3	1.1	.3
Nursing student loans	1.0	1.3	1.6	1.5	.5
To establish Bureau of Nursing	.6	1.6	1.9	1.4	.4
Center for Nursing Studies and Research	1.4	4.0	5.3	4.2	1.3
Total estimated authorization level	20.0	55.4	72.4	56.9	17.8

Note: The cost of this bill falls in function 550.

Basis of estimate

All authorization levels, except for the nursing loans level, are stated in the bill. We assume these authorized amounts are fully appropriated at the beginning of each fiscal year. Outlays are estimated using spendout rates computed by CBO on the basis of appropriate recent program data.

The authorization level for the Nursing Student Loans program is stated in the bill for fiscal years 1985 through 1987. These funds would be used primarily to finance loan programs at newer nursing schools. For fiscal year 1988 and 1989, the bill authorizes such sums as may be necessary to enable those students who have received loans prior to fiscal year 1988 to continue or complete their education.

The new loans made with these funds through 1987 will result in a need for about 1,900 continuing loans in 1988 and 670 continuing

loans in 1989. Assuming the amount of each loan averages $800, CBO estimates that $1.5 million and $0.5 million will be needed in each of fiscal year 1988 and 1989 to fund these continuing loans.

6. Estimated cost to State and local governments: The budgets of state and local governments would not be greatly affected by the enactment of this bill. It is possible that grants authorized in this bill could be used as a substitute for state and local funds currently being used to support these nursing schools. The extent of the substitution, however, is unknown.

7. Estimate comparsion: None.

8. Previous CBO estimate: None.

9. Estimate prepared by: Carmela Pene.

10. Estimate approved by C. G. Nuckols (for James L. Blum, Assistant Director for Budget Analysis).

VIII. Regulatory Impact Statement

Pursuant to Section 602 of Senate Resolution 4 concerning the regulatory impact of proposed legislation, the Committee provides the following evaluation of the anticipated additional paperwork and other regulatory impact that would result from the implementation of S. 2574.

The Committee has determined that there will be minimal increase in regulatory burden or paperwork imposed by this bill. However, new programs instituted by S. 2574, the Center for Nursing Studies and Research, faculty fellowships and demonstration authority under Section 820, Special Projects, may produce some additional paperwork, time and cost. This would be associated with the initial structuring of the center; the preparation and filing of applications for grants and contracts under these new authorities.

IX. Family Fairness Statement

Due to the nature of the legislation, there is no direct reference or effect on the family. However, there are several components that have an indirect relationship on the family.

Recruitment and counseling services are made available for low-income students. This has several benefits for the family. The direction and support that a low-income student needs is very important. If the family is unable to provide that support, then this legislation ensures that the low-income student is assisted. When a family is helped in providing education for its members, it helps create a more stable environment for them.

This bill also helps families that live in medically underserved areas by providing incentives to nursing students who agree to work in these areas after graduation.

As a part of the research funded in this bill, nurses are asked to examine the patient's relationship with his/her family in the study of acute and chronic illnesses, disabilities, and the aging process. The inclusion of the family in the study of health raises the awareness of all health professionals who treat patients about the important role of the family.

X. Section-by-Section Analysis

Section 1 establishes the title of the bill as the Nurse Education Amendments of 1984.

REFERENCE

Section 2 provides that, except when otherwise specifically indicated, any amendment or repeal contained in the bill is made to a section or other provision of the Public Health Service Act.

SPECIAL PROJECTS

Section 3 reauthorizes the nursing special projects program providing grants and contracts for: (1) increasing nursing education opportunities for individuals from disadvantaged backgrounds; (2) providing continuing education for nurses; (3) providing appropriate retraining opportunities for nurses; (4) helping to increase the supply or improve the distribution by geographic area or by specialty group of adequately trained nursing personnel. For these projects, the bill authorizes $10 million for fiscal year 1985, $11 million for fiscal year 1986, and $12 million for fiscal year 1987. Section 3 also adds three new purposes for which grants and contracts may be awarded under the special projects authority: (1) demonstrating clinical nurse training programs which combine educational curricula and clinical practice in health care delivery organizations, including acute care facilities, long-term care facilities, and ambulatory care facilities; (2) improve access to nursing services in non-institutional settings through support of nursing practice arrangements in communities; or (3) encourage nursing graduates to practice in health manpower shortage areas, to improve specialty geographical distribution of nurses in the United States. For these projects, the bill authorizes $5 million for fiscal year 1985, $5.5 million for 1986, and $6.0 million for fiscal year 1987, and not less than 25 percent of the funds appropriated for this purpose will be obligated for improving access to nursing services in non-institutional settings.

ADVANCED NURSE EDUCATION

Section 4 revises the advanced nurse education program to authorize grants to and contracts with public and private nonprofit collegiate schools of nursing to: (1) plan, develop, and operate; (2) expand; or (3) maintain programs which lead to master and doctoral degrees and which prepare professional nurses to serve as nurse educators, administrators, consultants, researchers, or to serve in clinical nurse specialties determined by the Secretary. The bill authorizes $18 million for fiscal year 1985, $18.5 million for fiscal year 1986, and 19.5 million for fiscal year 1987.

NURSE PRACTITIONER PROGRAMS

Section 5 revises the authority for nurse practitioner programs to authorize grants and contracts for schools of nursing to: (1) plan, develop, and operate; (2) expand; or (3) maintain programs for the education of nurse practitioners. The bill also authorizes grants

and contracts for schools of nursing and appropriate public and private entities for accredited certificate programs for nurse midwives. For these grants and contracts, the bill authorizes $12 million for fiscal year 1985, $13 million for fiscal year 1986, and $14 million for fiscal year 1987.

Section 5 also amends the definition of programs for the education of nurse practitioners to add that, except for programs for nurse midwives, these programs must lead to a master's or doctoral degree. In addition, this section repeals authority for nurse practitioner traineeships programs and authority for grants and contracts to be used for costs of preparation of faculty members to conform to prescribed guidelines. The bill also authorizes the Secretary to use funds appropriated under this section as amended to make a one-year grant to or contract with a school, hospital, or entity which received a grant or contract under the previous authority during fiscal year 1984 for nurse practitioner training programs or traineeships programs to maintain any such programs which are in existence at the end of fiscal year 1984.

TRAINEESHIPS FOR ADVANCED EDUCATION OF PROFESSIONAL NURSES

Section 6 revises the authority for traineeships for the advanced education of professional nurses to authorize the Secretary to make grants to public and private nonprofit schools of nursing to cover the cost of traineeships for nurses in master's and doctoral degree programs to educate such nurses to serve in and prepare for practice as: (1) nurse practitioners and nurse midwives; (2) nurse administrators, nurse educators, and nurse researchers; and (3) other professional nursing specialities determined by the Secretary to require advanced training. It also provides an authority to the Secretary to make grants to cover the costs of post bacccalaureate and post doctoral fellowships for faculty in schools of nursing to enable such faculty to: (1) expand knowledge with respect to nursing by working with groups of students; (2) investigate cost-effective alternatives to traditional health care modalities, with special attention to the needs of at-risk populations, such as the elderly, premature newborns, physically and mentally disabled individuals, and ethnic minority groups; (3) examine nursing interventions that result in positive outcomes in health status, with attention to interventions which address family violence, drug and alcohol abuse, the health of women, adolescent care, disease prevention, and ethical concerns; and (4) address other areas of nursing practice considered by the Secretary to require additional study.

The bill authorizes for these traineeships $12 million for fiscal year 1985, $13 million for fiscal year 1986, and $14 million for fiscal year 1987, and authorizes for faculty fellowships $3 million for fiscal year 1985, $3.5 million for fiscal year 1986, and $4.0 million for fiscal year 1987.

NURSE ANESTHETISTS

Section 7 extends the authority for traineeships for training of nurse anesthetists and adds new authority for grants to public or private non-profit institutions to cover the cost of projects to improve existing programs for the education of nurse anesthetists, in-

cluding grants to such institutions for the purpose of providing financial assistance and support to certified registered nurse anesthetists who are faculty members of accredited programs to enable such persons to obtain advanced education relevant to their teaching functions. The bill authorizes for the revised authority $1 million for fiscal year 1985, $1.3 million for fiscal year 1986, and $1.6 million for fiscal year 1987.

NURSING STUDENT LOANS

Section 8 extends the nursing student loan program and authorizes for new capital contributions to schools' revolving loan funds $1 million for fiscal year 1985, $1.3 million for fiscal year 1986, and $1.6 million for fiscal year 1987. This section repeals the provision which requires that not less than $1 million of nursing student loan appropriations for any fiscal year be reserved for loans to those students who have not been students or employed on a full-time basis for the past seven years. In addition, it eliminates the preference for nursing student loans which currently must be given to first-year students.

Section 8 revises the method by which new capital contributions to schools' loan funds are to be allocated: If the total amount requested by schools exceeds available appropriations, a school's allotment would be reduced to the smaller of (A) the amount requested by the school or (B) an amount which bears the same ratio to the total amount appropriated as the number of students estimated by the Secretary to be enrolled in the school on a full-time basis bears to the estimated total number of full-time students enrolled in all nursing schools during the relevant fiscal year. In addition, this section of the bill requires the Secretary to allot to schools of nursing amounts returned to the Secretary from terminated loan funds and excess amounts collected by schools and to give schools of nursing which established student loan funds after September 30, 1975 priority in the allotment of these funds.

Section 8 also authorizes the Secretary of Treasury to disclose to the Secretary of the Department of Health and Human Services (DHHS) the address of those persons who have defaulted on nursing student loans and allows the Secretary of DHHS to disclose this information to nursing schools to assist them in the collection of defaulted loans.

REPEALS

Section 9 repeals in title VIII sections 801-803 (construction grant provisions), section 805 (loan guarantees and interest subsidies for construction), section 801 (capitation grants), section 811 (general provisions for applications for grants), and section 815 (financial distress grants). This section makes other technical and conforming changes to title VIII.

BUREAU OF NURSING

Section 10 establishes in the Health Resources and Services Administration a new Bureau of Nursing, to be headed by a Director appointed by the Secretary and composed of: (1) the Division for

Advanced Education; (2) the Division for Nurse Educational Support; and (3) the Center for Nursing Studies and Research. Among other things, the Director would be responsible for collecting and analyzing data on the supply, distribution, and requirements for nurses. The Center for Nursing Studies and Research would conduct and support programs of basic and clinical research, training, and information dissemination relating to: (1) the promotion of health; (2) the prevention of illness; (3) the responses of patients and their families to acute and chronic illnesses, disabilities, and the aging process; and (4) nursing education, nursing services, and professional nursing resources. In addition, the Center would administer: (1) programs of research, training, and information dissemination relating to nursing conducted and supported by the Secretary under section 301 of the PHS Act; and (2) the program of National Research Service Awards relating to nursing under section 472 of the PHS Act. The exsiting Division of Nursing of the Health Services Resources Administration would be terminated.

This section of the bill authorizes $5 million for fiscal year 1985, $5.5 million for fiscal year 1986, and $6 million for fiscal year 1987 for research conducted and supported by the Center for Nursing Research. These amounts would be in addition to those appropriated under sections 301 and 472. This section also authorizes $2 million for fiscal year 1985 for the establishment and initial operation of the Bureau of Nursing.

EFFECTIVE DATE

Section 11 specifies the effective date of the bill as October 1, 1984.

XI. Changes in Existing Law

In compliance with rule XXVI paragraph 12 of the Standard Rules of the Senate, the following provides a print of the statute or the part or section thereof to be amended or replaced (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

Public Health Service Act

* * * * * * *

TITLE IV—NATIONAL RESEARCH INSTITUTES

* * * * * * *

Part I—General Provisions

* * * * * * *

NATIONAL RESEARCH SERVICE AWARDS

Sec. 742. (a)(1) The Secretary shall—

(A) provide National Research Service Awards for—

(i) biomedical and behavioral research at the National Institutes of Health and the Alcohol, Drug Abuse, and

Mental Health Administration or under programs administered by the [Division of Nursing of the Health Resources Administration,] *Bureau of Nursing of the Health Resources and Services Administration,* in matters relating to the cause, diagnosis, prevention, and treatment of the diseases or other health problems to which the activities of the Institutes and Administration or [Division] *Bureau* of Nursing are directed,

* * * * * * *

TITLE VIII—NURSE TRAINING

[PART A—ASSISTANCE FOR EXPANSION AND IMPROVEMENT OF NURSE TRAINING]

[Subpart I—Construction Assistance]

* * * * * * *

[Sections 801, 802, 803, 805, 810, 811, and 815 are repealed.]

[Subpart II—Capitation Grants]

[Subpart III—Financial Distress Grants]

[Subpart IV—Special Projects]

PART A—BUREAU OF NURSING

ESTABLISHMENT

SEC. 801. (a) There is established in the Health Resources and Services Administration the Bureau of Nursing. The Bureau shall be composed of—

(1) the Division for Advanced Nurse Education established by section 802,

(2) the Division for Nurse Educational Support established by section 803; and

(3) the Center for Nursing Studies and Research established by section 804.

(b) The Bureau shall be headed by a Director, who shall be appointed by the Secretary. The Secretary shall carry out this title through the Director.

(c) The Secretary shall carry out the provisions of section 951 of the Nurse Training Act of 1975 through the Director.

DIVISION FOR ADVANCED NURSE EDUCATION

SEC. 802. There is established in the Bureau the Division for Advanced Nurse Education. The Secretary shall carry out part B through the Director and the Division.

DIVISION FOR NURSE EDUCATIONAL SUPPORT

SEC. 803. There is established in the Bureau the Division of Nurse Educational Support. The Secretary shall carry out part C through the Director and the Division.

CENTER FOR NURSING STUDIES AND RESEARCH

SEC. 804. (a) There is established in the Bureau the Center for Nursing Studies and Research. The Secretary, through the Center shall conduct and support programs of basic and clinical research, training, and information dissemination relating to—

(1) the promotion of health;

(2) the prevention of illness;

(3) the responses of patients and their families to acute and chronic illnesses, disabilities, and the aging process; and

(4) nursing education, nursing services, and professional nursing resources.

Programs conducted under this subsection shall be in addition to the programs described in paragraphs (1) and (2) of subsection (b).

(b) The Secretary shall carry out through the Center—

(1) programs of research, training, and information dissemination relating to nursing conducted and supported by the Secretary under section 301; and

(2) the program of National Research Service Awards relating to nursing under section 472.

AUTHORIZATION OF APPROPRIATIONS

SEC. 805. (a) to carry out section 804(a), there are authorized to be appropriated $5,000,000 for the fiscal year ending September 30, 1985, $5,500,000 for the fiscal year ending September 30, 1986, and $6,000,000 for the fiscal year ending September 30, 1987. Amounts appropriated under this subsection shall be in addition to amounts appropriated under sections 301 and 472.

(b) For the establishment and initial operation of the Bureau, there are authorized to be appropriated $2,000,000 for the fiscal year ending September 30, 1985, and each of the two succeeding fiscal years.

PART B—SPECIAL PROJECTS

* * * * * * *

SEC. 820. (a) * * *

(4) help to increase the supply or improve the distribution by geographic area or by specialty group of adequately trained nursing personnel (including nursing personnel who are bilingual) needed to meet the health needs of the Nation, including the need to increase the availability of personal health services and the need to promote preventive health care; [or]

(5) provide training and education to upgrade the skills of licensed vocational or practical nurses, nursing assistants, and other paraprofessional nursing personnel[,] ;

(6) demonstrate clinical nurse education programs which combine educational curricula and clinical practice in health care delivery organizations, including acute care facilities, long-term care facilities, and ambulatory care facilities;

(7) demonstrate methods to improve access to nursing services in noninstitutional settings through support of nursing practice arrangements in communities; or

(8) demonstrate methods to encourage nursing graduates to practice in health manpower shortage areas (designated under section 332) in order to improve the specialty and geographical distribution of nurses in the United States.

* * * * * * *

(d) [For payments under grants and contracts under this section there are authorized to be appropriated $15,000,000 for fiscal year 1976, $15,000,000 for fiscal year 1977, $15,000,000 for fiscal year 1978, $17,000,000 for the fiscal year ending September 30, 1980, $10,000,000 for fiscal year ending September 30, 1982, $10,500,000 for the fiscal year ending September 30, 1983, and $11,000,000 for the fiscal year ending September 30, 1984.]

(1) For payments under grants and contracts under paragraphs (1) through (5) of subsection (a), there are authorized to be appropriated $10,000,000 for the fiscal year ending September 30, 1985, $11,000,000 for the fiscal year ending September 30, 1986, and $12,000,000 for the fiscal year ending September 30, 1987. Of the funds appropriated under this [subsection] *paragraph* for any fiscal year beginning after September 30, [1981,] *1984,* not less than 20 percent of the funds shall be obligated for payments under grants and contracts for special projects described in subsection (a)(1), not less than 20 percent of the funds shall be obligated for payments under grants and contracts for special projects described in subsection (a)(4), and not less than 10 percent of the funds shall be obligated for payments under grants and contracts for special projects described in subsection (a)(5).

(2) For payments under grants and contracts under paragraphs (6), (7), and (8) of subsection (a), there are authorized to be appropriated $5,000,000 for the fiscal year ending September 30, 1985, $5,500,000 for the fiscal year ending September 30, 1986, and $6,000,000 for the fiscal year ending September 30, 1987. Not less than 25 percent of the amounts appropriated under this paragraph shall be obligated for grants and contracts under paragraph (7) of subsection (a).

ADVANCED NURSE EDUCATION

SEC. 821. (a) The Secretary may make grants to and enter into contracts with public and private nonprofit collegiate schools of nursing to meet the costs of projects to—

(1) plan, develop, and operate,

(2) expand, or

(3) maintain,

programs which lead to masters' and doctoral degrees and which prepare professional nurses to serve as nurse educators, administrators, consultants, or researchers or to serve in clinical nurse specialties determined by the Secretary.

(b) For payments under grants and contracts under this section, there are authorized to be appropriated $17,500,000 for the fiscal year ending September 30, 1985, $18,500,000 for the fiscal year ending September 30, 1986, and $19,500,000 for the fiscal year ending September 30, 1987.

SEC. 822. (a) [(1) The Secretary may make grants to and enter into contracts with public or nonprofit private schools of nursing,

medicine, and public health, public or nonprofit private hospitals, and other public or nonprofit private entities to meet the cost of projects to—

[(A) plan, develop, and operate,
[(B) significantly expand, or
[(C) maintain existing,

programs for the training of nurse practitioners. The Secretary shall give special consideration to applications for grants or contracts for programs for training of nurse practitioners who will practice in health manpower shortage areas (designated under section 332) and for the training of nurse practitioners which emphasize traning respecting the special problems of geriatric patients and traning to meet the particular needs of nursing home patients.]

(1)(A) The Secretary may make grants to and enter into contracts with public and private nonprofit schools of nursing to meet the costs of projects to—

(i) plan, develop, and operate,
(ii) expand, or
(iii) maintain,

programs for the education of nurse practitioners.

(B) The Secretary may make grants to and enter into contracts with public an private nonprofit schools of nursing and appropriate public and private nonprofit entities to meet the costs of projects to—

(i) plan, develop, and operate,
(ii) expand, or
(iii) maintain,

accredited certificate programs for nurse midwives.

[(2)(A) For purpose of this section, the term "programs for the training of nurse practitioners" means educational programs for registered nurses (irrespective of the type of school of nursing in which the nurses received their training) which meet guidelines prescribed by the Secretary in accordance with subparagraph (B) and which have as their objective the education of nurses (including pediatric and geriatric nurses) who will, upon completion of their studies in such programs, be qualified to effectively provide primary health care, including primary health care in homes and in ambulatory care facilities, long-term care facilities, and other health care institutions.]

(2)(A) For purposes of this section, the term "programs for the education of nurse practitioners" means educational programs for registered nurses which—

(i) meet guidelines prescribed by the Secretary in accordance with subparagraph (B);

(ii) have as their objective the education of nurses (including pediatric nurses, geriatric nurses, and nurses midwives) who will, upon completion of their studies in such programs, be qualified to effectively provide primary health care, including primary health care in homes and in ambulatory care facilities, long-term care facilities, and other health care institutions; and

(iii) lead to a masters' degree or a doctoral degree, except that compliance with the provisions of this clause is not required for programs to educate nurse midwives.

(B) After consultation with appropriate educational organizations and professional nursing and medical organizations, the Secretary shall prescribe guidelines for programs for the [training] *education* of nurse practitioners. Such guidelines shall, as a minimum require that such a program—

* * * * * * *

[(b)(1) The Secretary may make grants to and enter into contracts with schools of nursing, medicine, and public health, public or nonprofit private hospitals, and other nonprofit entities to establish and operate traineeship programs to train nurse practitioners. In considering applications for a grant or contract under this subsection, the Secretary shall give special consideration to applications for traineeships to train individuals who are residents of health manpower shortage areas designated under section 332.

[(2) Traineeships funded under this subsection shall include 100 percent of the costs of tuition, reasonable living and moving expenses (including stipends), books, fees, and necessary transportation.

[(3) a traineeship funded under this subsection shall not be awarded unless the recipient enters into a commitment with the Secretary to practice as a nurse practitioner in a health manpower shortage area (designated under section 332) for a period equal to one month for each month for which the recipient receives such a traineeship.

[(4)(A) If, for any reason, an individual who received a traineeship under paragraph (1) fails to complete a service obligation under paragraph (3), such individual shall be liable for the payment of an amount equal to the cost of tuition and and other education expenses and other payments paid under the traineeship, plus interest at the maximum legal prevailing rate.

[(B) When an individual who received a traineeship is academically dismissed or voluntarily terminates academic training, such individual shall be liable for repayment to the Government for an amount equal to the cost of tuition and other educational expenses paid to or for such individual from Federal funds plus any other payments which were received under the traineeship.

[(C) Any amount which the United States is entitled to recover under subparagraph (A) or (B) shall, within the three-year period beginning on the date the United States becomes entitled to recover such amount, be paid to the United States.

[(D) The Secretary shall by regulation provide for the waiver or suspension of any obligation under subparagraph (A) or (B) applicable to any individual whenever compliance by such individual is impossible or would involve extreme hardship to such individual and if enforcement of such obligation with respect to any individual would be against equity and good conscience.]

[(c)]*(b)* No grant may be made or contract entered into for a project to plan, develop, and operate a program for the [training] *education* of nurse practitioners unless this application for the grant or contract contains assurances satisfactory to the Secretary that the program will upon its development meet the guidelines which are in effect under subsection (a)(2)(B); and no grant may be made or contract entered into for a project to expand or maintain

such a program unless the application for the grant or contract contains assurances satisfactory to the Secretary that the program meets the guidelines which are in effect under such subsection.

[(d) The costs for which a grant or contract under this section may be made may include costs of preparation of faculty members in order to conform to the guidelines established under subsection (a)(2)(B).]

[e](c) For payments under grants and contracts under this section there are authorized to be appropriated [$15,000,000 for fiscal year 1976, $20,000,000 for fiscal year 1977, $25,000,000 for fiscal year 1978, $15,000,000 for the fiscal year ending September 30, 1980, $12,000,000 for the fiscal year ending September 30, 1982, $13,000,000 for the fiscal year ending September 30, 1983, and $14,000,000 for the fiscal year ending September 30, 1984.] *$12,000,000 for the fiscal year ending September 30, 1985, $13,000,000 for the fiscal year ending September 30, 1986, and $14,000,000 for the fiscal year ending September 30, 1987.*

PART [B] *C*—ASSISTANCE TO NURSING STUDENTS

TRAINEESHIPS FOR ADVANCED [TRAINING] *EDUCATION* OF PROFESSIONAL NURSES

Sec. 830. * * *

(a) * * *

(1)(A) The Secretary may make grants to public and private nonprofit schools of nursing to cover the cost of traineeships for nurses in masters' degree and doctoral degree programs in order to educate such nurses to—

(i) serve in and prepare for practice as nurse practitioners,

(ii) serve in and prepare for practice as nurse administrators, nurse educators, and nurse researchers, or

(iii) serve in and prepare for practice in other professional nursing specialties determined by the secretary to require advanced education.

(B) The Secretary may make grants to public and private nonprofit schools of nursing and appropriate public and private nonprofit entities to cover the cost of traineeships to educate nurses to serve in and prepare for practice as nurse midwives.

(b) The Secretary may make grants to public or private nonprofit schools of nursing to cover the costs of post baccalaureate and post doctoral fellowships for faculty in such schools to enable such faculty to—

(1) expand knowledge with respect to nursing by working with groups of students;

(2) investigate cost-effective alternatives to traditional health care modalities, with special attention to the needs of at-risk populations, such as the elderly, premature infants, physically and mentally disabled individuals, and ethnic and minority groups;

(3) examine nursing interventions that result in positive outcomes in health status, with attention to interventions which address family violence, drug and alcohol abuse, the health of

women, adolescent care, disease prevention, and ethical concerns; and

(4) address other areas of nursing practice considered by the Secretary to require additional study.

[(b)] *(c)(1)* There are authorized to be appropriated for the purposes of [this section] *subsection (a)* $15,000,000 for fiscal year ending June 30, 1976, $20,000,000 for the fiscal year ending September 30, 1977, and $25,000,000 for the fiscal year ending September 30, 1978, $15,000,000 for the fiscal year ending September 30, 1980, $10,000,000 for the fiscal year ending September 30, 1982, $10,500,000 for the fiscal year ending September 30, 1983, [and] $11,000,000 for the fiscal year ending September 30, [1984] *1984, $12,000,000 for the fiscal year ending September 30, 1985, $13,000,000 for the fiscal year ending September 30, 1986 and $14,000,000 for the fiscal year ending September 30, 1987.* [Not less than 25 percent of the funds appropriated under this subsection for any fiscal year shall be obligated for traineeships described in subsection (a)(1)(A), except that if the obligation of that amount of the funds appropriated under this subsection will prevent the continuation of a traineeship to an individual who received a traineeship under subsection (a) for the fiscal year ending September 30, 1981, the Secretary shall reduce the amount to be obligated for traineeships described in subsection (a)(1)(A) by such amount as may be necessary for the continuation of traineeships first awarded in such fiscal year.] Priority in the award of traineeships under subsection (a)(1)(C) shall go to nurse midwife trainees.

(2) To carry out subsection (b), there are authorized to be appropriated $3,000,000 for the fiscal year ending September 30, 1985, $3,500,000 for the fiscal year ending September 30, 1986, and $4,000,000 for the fiscal year ending September 30, 1987.

TRAINEESHIPS FOR [TRAINING] *EDUCATION* OF NURSE ANESTHETISTS

SEC. 831. (a)(1) The Secretary may make grants to public or private nonprofit institutions to cover the costs of traineeships for the training, in programs which meet such requirements as the Secretary shall by regulation prescribe and which are accredited by an entity or entities designated by the [Commissioner] *Secretary* of Education, of licensed, registered nurses to be nurse anesthetists.

(2) Payments to institutions under this subsection may be made in advance or by way of reimbursement, and at such intervals and on such conditions, as the Secretary finds necessary. Such payments may be used only for traineeships and shall be limited to such amounts as the Secretary finds necessary to cover the costs of tuition and fees, and a stipend and allowances (including travel and subsistence expenses) for the trainees.

(b) The Secretary may make grants to public or private nonprofit institutions to cover the cost of projects to improve existing programs for the education of nurse anesthetists which are accredited by an entity or entities designated by the Secretary of Education, including grants to such institutions for the purpose of providing financial assistance and support to certified registered nurse anesthetists who are faculty members of accredited programs to enable such

nurse anesthetists to obtain advanced education relevant to their teaching functions.

[b] *(c)* For the purpose of making grants under [subsection (a), there are authorized to be appropriated $2,000,000 for the fiscal year ending September 30, 1980.] *this section, there are authorized to be appropriated $1,000,000 for the fiscal year ending September 30, 1985, $1,300,000 for the fiscal year ending September 30, 1986, and $1,600,000 for the fiscal year ending September 30, 1987.*

* * * * * * *

SEC. 836. (a) The total of the loans for any academic year (or its equivalent, as determined under regulations of the Secretary) made by schools of nursing from loan funds established pursuant to agreements under this subpart may not exceed $2,500 in the case of any student. The aggregate of the loans for all years from such funds may not exceed $10,000 in the case of any student. In the granting of such loans, a school shall give preference to licensed practical nurses [and to persons who enter as first-year students after enactment of this title].

* * * * * * *

SEC. 837. [There are authorized to be appropriated for allotments under section 838 to schools of nursing for Federal capital contributions to their student loan funds established under section 835, $25,000,000 for fiscal year 1976, $30,000,000 for fiscal year 1977, $35,000,000 for fiscal year 1978, $13,500,000 for the fiscal year ending September 30, 1980, $14,000,000 for the fiscal year ending September 30, 1982, $16,000,000 for the fiscal year ending September 30, 1983, and $18,000,000 for the fiscal year ending September 30, 1984]. *There are authorized to be appropriated for allotments under section 838 to schools of nursing for Federal capital contributions to their student loan funds established under section 835, $1,000,000 for the fiscal year ending September 30, 1985, $1,300,000 for the fiscal year ending September 30, 1986, and $1,600,000 for the fiscal year ending September 30, 1987.* For the fiscal year ending September 30, [1983] *1988*, and for each of the next two succeeding fiscal years there are authorized to be appropriated such sums as may be necessary to enable students who have received a loan for any academic year ending before October 1, [1984] *1987*, to continue or complete their education. [Of the amount appropriated under the first sentence for the fiscal year ending September 30, 1982, and the two succeeding fiscal years, not less than $1,000,000 shall be obligated in each such fiscal year for loans from student loan funds established under section 835 to individuals who are qualified to receive such loans and who, on the date they receive the loan, have not been employed on a full-time basis or been enrolled in any educational institution on a full-time basis for at least seven years. A loan to such an individual may not exceed $500 for any academic year.]

SEC. 838. (a)(1) The Secretary shall from time to time set dates by which schools of nursing must file applications for Federal capital contributions.

(2) If the total of the amounts requested for any fiscal year in such applications exceeds the total amount appropriated under sec-

tion 837 for that fiscal year, the allotment from such total amount to the loan fund of each school of nursing shall be reduced to whichever of the following is the smaller: (A) the amount requested in its application or (B) an amount which bears the same ratio to the total amount appropriated as the number of students estimated by the Secretary to be enrolled on a full-time basis in such school during such fiscal year bears to the estimated total number of students enrolled in all such schools on a full-time basis during such year. Amounts remaining after allotment under the preceding sentence shall be reallotted in accordance with clause (B) of such sentence among schools whose applications requested more than the amounts so allotted to their loan funds, but with such adjustments as may be necessary to prevent the total allotted to any such school's loan fund under this paragraph and paragraph (3) from exceeding the total so requested by it.

(3) Funds which, pursuant to section 839(c) or pursuant to a loan agreement under section 835, are returned to the Secretary in any fiscal year, shall be available for allotment in such fiscal year and in the fiscal year succeeding that fiscal year. Funds described in the preceding sentence shall be allotted among schools of nursing in such manner as the Secretary determines will best carry out the provisions of this subpart, except that in making such allotments, the Secretary shall give priority to schools of nursing which established student loan funds under this subpart after September 30, 1975.

(b) Allotments to a loan fund of a school shall be paid to it from time to time in such installments as the Secretary determines will not result in unnecessary accumulations in the loan fund at such school.

* * * * * * *

SEC. 839. (a) After September 30, [1987,] *1990* and not later than December 31, [1987,] *1990*, there shall be a capital distribution of the balance of the loan fund established under an agreement pursuant to section 835(b) by each school as follows:

(1) The Secretary shall first be paid an amount which bears the same ratio to such balance in such fund at the close of September 30, [1987,] *1990*, as the total amount of the Federal capital contributions to such fund by the Secretary pursuant to section 835(b)(2)(A) bears to the total amount in such fund derived from such Federal capital contributions and from funds deposited therein pursuant to section 835(b)(2)(B).

(2) The remainder of such balance shall be paid to the school.

(b) After December 31, [1987,] *1990*, each school with which the Secretary has made an agreement under this subpart shall pay to the Secretary, not less often than quarterly, the same proportionate share of amounts received by the school after September 30, [1987,] *1990*, in payment of principal or interest on loans made from the loan fund established pursuant to such agreement as was determined for the Secretary under subsection (a).

(c)(1) Within 30 days after the termination of any agreement with a school under section 835 or the termination in any other manner of a school's participation in the loan program under this subpart, such school shall pay to the Secretary from the balance of the loan fund of such school established under section 835, an amount which

bears the same ratio to the balance in such fund on the date of such termination as the total amount of the Federal capital contributions to such fund by the Secretary pursuant to section 835(b)(2)(A) bears to the total amount in such fund on such date derived from such Federal capital contributions and from funds deposited in the fund pursuant to section 835(b)(2)(B). The remainder of such balance shall be paid to the school.

(2) A school to which paragraph (1) applies shall pay to the Secretary after the date on which payment is made under such paragraph and not less than quarterly, the same proportionate share of amounts received by the school after the date of termination referred to in paragraph (1) in payment of principal or interest on loans made from the loan fund as was determined for the Secretary under such paragraph.

PART [C] *D*—GENERAL

* * * * * * *

SEC. 851. (a) * * *

(b) The Council shall advise the Secretary or his delegate in the preparation of general regulations and with respect to policy matters arising in the administration of this title. [and in the review of applications for construction projects under subpart I of part A, of applications under section 805, and of applications under subpart III of part A.]

* * * * * * *

SEC. 853. For purposes of this title—

(1) The term "State" means a State, the Commonwealth of Puerto Rico, the District of Columbia, [the Canal Zone,] Guam, American Samoa, the Virgin Islands, or the Trust Territory of the Pacific Islands.

* * * * * * *

(6) The term "accredited" when applied to any program of nurse education means a program accredited by a recognized body or bodies, or by a State agency, approved for such purpose by the Secretary of Education and when applied to a hospital, school, college, or university (or a unit thereof) means a hospital, school, college, or university (or a unit thereof) which is accredited by a recognized body or bodies, or by a State agency, approved for such purpose by the Secretary of Education, except that a school of nursing seeking an agreement under subpart II of part C for the establishment of a student loan fund, which is not, at the time of the application under such subpart, eligible for accreditation by such a recognized body or bodies or State agency, shall be deemed accredited for purposes of such subpart if the Secretary of Education finds, after consultation with the appropriate accreditation body or bodies, that there is reasonable assurance that the school will meet the accreditation standards of such body or bodies prior to the beginning of the academic year following the normal graduation date of students who are in their first year of instruction at such school during the fiscal year in which the agreement with such school is made under such subpart; except that the provisions of this clause shall not apply for purposes of section 838. For the purpose of this paragraph,

the Secretary of Education shall publish a list of recognized accrediting bodies, and of State agencies, which the Secretary of Education determines to be reliable authority as to the quality of education offered.

* * * * * * *

(11) The term "Bureau" means the Bureau of Nursing established under section 801.

(12) The term "Director" means the Director of the Bureau.

* * * * * * *

RECAPTURE OF PAYMENTS *FOR CONSTRUCTION ASSISTANCE*

SEC. [804.] *853.* If, within twenty years (or in the case of interim facilities, within such shorter period as the Secretary shall by regulation prescribe) after completion of any construction for which funds have been paid under [this subpart] *subpart I of part A (as such subpart was in effect prior to September 30, 1984)*—

(1) the applicant or other owner of the facility shall cease to be a public or nonprofit private school, or

(2) the facility shall cease to be used for the training purposes for which it was constructed (unless the Secretary determines, in accordance with regulations, that there is good cause for releasing the applicant or other owner from the obligation to do so), or

(3) the facility is used for sectarian instruction or as a place for religious worship.

the United States shall be entitled to recover from the applicant or other owner of the facility the amount bearing the same ratio to the then value (as determined by agreement of the parties or by action brought in the United States district court for the district in which such facility is situated) of the facility, as the amount of the Federal participation *under subpart I of part A (as such subpart was in effect prior to September 30, 1984)* bore to the cost of construction of such facility.

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OTHER LAWS AFFECTED BY THIS LEGISLATION

INTERNAL REVENUE CODE OF 1954

(Title 26, United States Code)

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Subtitle F—Procedure and Administration

CHAPTER 61—INFORMATION AND RETURNS

* * * * * * *

Subchapter B—Miscellaneous Provisions

§§ 6101–6102. * * *

§ 6103. Confidentiality and disclosure of returns and return information

(a)–(l) * * *

(m) DISCLOSURE OF TAXPAYER IDENTITY INFORMATION.—

(1)–(3) * * *

(4) INDIVIDUALS WHO HAVE DEFAULTED ON STUDENT LOANS *ADMINISTERED BY THE DEPARTMENT OF EDUCATION.*—

(A) IN GENERAL.—Upon written request by the Secretary of Education, the Secretary may disclose the mailing address of any taxpayer who has defaulted on a loan—

(i) made under part B or E of title IV of the Higher Education Act of 1965, or

(ii) made pursuant to section 3(a)(1) of the Migration and Refugee Assistance Act of 1962 to a student at an institution of higher education, for use only by officers, employees, or agents of the Department of Education for purposes of locating such taxpayer for purposes of collecting such loan.

(B) DISCLOSURE TO EDUCATIONAL INSTITUTIONS, ETC.—Any mailing address disclosed under subparagraph (A)(i) may be disclosed by the Secretary of Education to—

(i) any lender, or any State or nonprofit guarantee agency, which is participating under part B of title IV of the Higher Education Act of 1965, or

(ii) any educational institution with which the Secretary of Education has an agreement under part E of title IV of such Act,

for use only by officers, employees, or agents of such lender, guarantee agency, or institution whose duties relate to the collection of student loans for purposes of locating individuals who have defaulted on student loans made under such loan programs for purposes of collecting such loans.

(5) INDIVIDUALS WHO HAVE DEFAULTED ON STUDENT LOANS ADMINISTERED BY THE DEPARTMENT OF HEALTH AND HUMAN SERVICES.—

(A) IN GENERAL.—Upon written request by the Secretary of Health and Human Services, the Secretary may disclose the mailing address of any taxpayer who has defaulted on a loan made under part C of title VII of the Public Health Service Act or under subpart II of part B of title VIII of such Act, for use only by officers, employees, or agents of the Department of Health and Human Services for purposes of locating such taxpayer for purposes of collecting such loan.

(B) DISCLOSURE TO SCHOOLS AND ELIGIBLE LENDERS.—Any mailing address disclosed under subparagraph (A) may be disclosed by the Secretary of Health and Human Services to—

(i) any school with which the Secretary of Health and Human Services has an agreement under subpart II of part C of title VII of the Public Health Service Act or subpart II of part B of title VIII of such Act, or

(ii) any eligible lender (within the meaning of section 737(2) of such Act) participating under subpart I of part C of title VII of such Act,

for use only by officers, employees, or agents of such school or eligible lender whose duties related to the collection of student loans for purposes of locating individuals who have defaulted on student loans made under such subparts for the purposes of collecting such loans.

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